



Project title: Community Solar Project Property Lease

City Council Agenda Item Cover Sheet

Council Bill #

Agenda dates requested:
03/30/2022

Briefing
Proposed action
Consent
Action ☒ X
Ordinance
Public hearing
☒ X Yes ☐ No

Budget amendment:
☐ Yes ☒ X No

PowerPoint presentation:
☒ X Yes ☐ No

Attachments:
Resolution; Property Lease

Department(s) involved:
Public Works, Legal, Real
Property, Parks & Facilities,
Administration

Contact person:
Ryan Sass

Phone number:
425.257-8942

Email:
rsass@everettwa.gov

Initialed by:
RLS
Department head

Administration

Council President

Project: Community Solar property lease

Partner/Supplier: Snohomish County PUD

Location: Reservoir 6 Site, (next to Walter E. Hall Park)

Preceding action: n/a

Fund: 401 – Water & Sewer Utility

Fiscal summary statement:

Proceeds from the lease, beginning at \$3,500 per year, adjusted annually over the life of the lease, will be recognized as revenue to the Water Utility.

Project summary statement:

Everett Public Works Water Utility owns property at the Reservoir 6 site adjacent to Walter E. Hall Park. Snohomish County PUD (PUD) has been awarded a grant through the Washington Clean Energy Fund-Low Income Community Solar Deployment Program to install, operate and maintain a community solar project. The Community Solar Project will reduce the energy burden of income-qualified PUD customers by directing solar generation benefits to Project Pride (*Providing Relief for Individuals Dependent on Energy*), which is a fund administered by St. Vincent de Paul, that provides emergency utility assistance to PUD electric customers. The photovoltaic solar array will reduce summer peak power demand on PUD circuits in the Casino Road area.

Everett Public Works intends to lease approximately 1.74 acres of utility property for a period of 15 years through June 2037, (with the option by mutual agreement for a single five-year extension), to PUD for the Community Solar project. The Utility anticipates eventually needing to use the leased area for future water reservoir capacity at some time after the completion of the lease period. The Utility benefits by collecting a modest annual lease amount starting at \$3,500.00, adjusted annually, and the project contributes to implementation of the City's Climate Action Plan by facilitating the generation of solar power.

Finally, two statutes regarding utility properties and leases to other government entities *may* require that Council hold a public hearing on this lease, although the statutes are not clear. Because of this, a public hearing is proposed for this item.

Recommendation (exact action requested of Council):

Adopt the resolution authorizing the Mayor to sign the Community Solar property lease with Snohomish County PUD in substantially the form provided.



RESOLUTION NO. _____

A RESOLUTION Authorizing the Mayor to Sign the Community Solar Property Lease with Snohomish County PUD

WHEREAS,

- A. Everett Public Works Water Utility owns property at the Reservoir 6 site adjacent to Walter E. Hall Park.
- B. Snohomish County PUD (PUD) has been awarded a grant through the Washington Clean Energy Fund-Low Income Community Solar Deployment Program to install, operate and maintain a community solar project. The Community Solar Project will reduce the energy burden for income-qualified PUD power customers by directing solar generation benefits to Project Pride (Providing Relief for Individuals Dependent on Energy), which is a fund administered by St. Vincent de Paul, that provides emergency utility assistance to PUD electric customers. The photovoltaic solar array will reduce summer peak power demand on PUD circuits in the Casino Road area.
- C. The Utility proposes to lease approximately 1.74 acres of utility property for a period of 15 years through June 2037 (with the option by mutual agreement for a single five-year extension), to PUD for their Community Solar project. The form of the lease has been provided to City Council.
- D. The Utility anticipates eventually needing to use the leased area for future water reservoir capacity at some time after the completion of the lease term. However, the leased area will not be required for providing continued public water utility service during the lease term.
- E. The Utility benefits by collecting a modest annual lease amount starting at \$3,500.00, adjusted annually, and the project contributes to implementation of the City's Climate Action Plan by facilitating the generation of solar power.
- F. Although it is unclear whether the public hearing requirements of RCW 39.33.020 and RCW 35.94.040 apply to this lease, the City Council has nevertheless held a public hearing prior to the adoption of this resolution.

NOW, THEREFORE, BE IT RESOLVED THAT:

- 1. The City Council authorizes the Mayor to execute the Community Solar project lease with the PUD, in substantially the form as previously provided to City Council.

Councilmember introducing resolution

Passed and approved this ____ day of _____, 2022.

Council President

PROPERTY LEASE

THIS PROPERTY LEASE ("Lease"), dated _____, 2022, is between the CITY OF EVERETT, a municipal corporation of the State of Washington ("Lessor"), and PUBLIC UTILITY DISTRICT NO. 1 OF SNOHOMISH COUNTY, a municipal corporation of the State of Washington ("Lessee"). The Lessor and Lessee are also referred to herein individually as "Party" and collectively as "Parties."

WHEREAS, Lessor owns certain real property located in Everett, Washington and referred to as Parcel No. 00392100000103 and Parcel No. 28041300201100 ("Property").

WHEREAS, the Lessee has been awarded a grant by the Washington State Department of Commerce (with funding provided by the U.S. Department of Energy) through the Washington Clean Energy Fund – Low Income Community Solar Deployment Program to install, operate and maintain a community solar project ("Community Solar Project").

WHEREAS, Lessee desires to lease certain portion of the Property from Lessor for the purpose of installing, operating, and maintaining the Community Solar Project.

WHEREAS, Lessor is willing to lease said portion of the Property to Lessee in accordance with terms and conditions of this Lease.

For and in consideration of the rent, covenants and agreements hereinafter specified to be paid, kept, and performed by the Lessee, Lessor hereby leases to the Lessee, and the Lessee hereby leases from the Lessor, the premises hereinafter described upon the terms and conditions herein set forth.

1. Description of Premises. The leased premises are located on the Property. The leased premises are legally described on Exhibit "A" and are visually depicted within the pink lines shown on Exhibit "B" ("Premises"), attached hereto, and made a part hereof. Lessee has examined the Premises and is in all respects familiar with the Premises and the improvements in the Premises. Lessee accepts the Premises and its improvements in their "as is" condition. Lessee further acknowledges and agrees that: (a) except as specifically provided in this Lease, Lessor has made no representations or warranties to Lessee with respect to the Premises; (b) Lessee is not relying on any representations or warranties by any person regarding the Premises; and (c) Lessor has no obligation under this Lease to construct any improvements to the Premises or the Property.

2. Term of Lease. The term of this Lease shall be for a period of fifteen (15) years, commencing on July 1, 2022 ("Commencement Date") and terminating on June 30, 2037; provided, the term may be extended for an additional five (5) year term by mutual written agreement of the Parties, with such agreement in each of the Parties' sole discretion, and with the mutual written agreement signed by the Mayor of the City of Everett and by an authorized representative of the Lessee.

3. Permitted Uses – Community Solar Project.

a. The Lessee may use and occupy the Premises for all reasonable purposes and activities necessary and/or appropriate for the operation of the Community Solar Project at Lessee's sole cost and expense, including but not limited to installing, erecting, operating, maintaining, and repairing the Community Solar Project, so long as such purposes and activities do not interfere with the Lessor's use of the Property ("Permitted Use"). Lessee shall not use or permit the use of the Premises for any other use without the prior written consent of Lessor, which may be withheld at Lessor's sole discretion. The Community Solar Project is generally described on attached and incorporated Exhibit "C." In the event of any conflict or inconsistency between Exhibit "C" and any other part of the Lease, such other part of the Lease governs. Lessee shall keep the Lessor's gates to the Property secure, and Lessee shall not allow the public to access the Property or the Premises through the gates.

b. Unless otherwise directed by Lessor, Lessee shall remove, at Lessee's sole cost and expense, the Community Solar Project and any other Lessee-installed Premises improvements within ninety (90) days following the termination of the Lease and shall surrender the Premises to the Lessor in the same or better condition as existed at the Commencement Date of this Lease, less ordinary wear and tear. Lessee shall also so remove within such time any conduit or other improvements on the Property installed by Lessee, if so requested by the Lessor.

c. Lessee may access Premises twenty-four (24) hours per day, seven (7) days per week using the Lessor's access roads on the Property depicted on Exhibit B, so long as such access does not interfere with the Lessor's use of the Property. To extent parking is not used by Lessor's employees and contractors, Lessee's employees and contractors may use parking on the Property. Subject to the requirements of Section 6 below, Lessee may construct access road improvements within the Premises to connect existing access roads. The location of such improvements will be determined by Lessor at Lessor's sole discretion. Lessee will be responsible for all costs to maintain such Lessee-constructed access road improvements for the duration of the Lease.

d. Subject to the requirements of Section 6, Lessee may install utility or electrical conduits and any other improvements on the Property for the purpose of connection to the Premises. The location of such conduits or improvements will be determined by Lessor at Lessor's sole discretion. If the Lessor determines that such improvements after installation interfere with the Lessor's use of the Property, Lessor shall give written notice thereof to the Lessee, and then Lessee shall then promptly relocate such improvements to a new location as determined by Lessor.

4. Right to Require Removal. The Property contains Lessor's water utility infrastructure, including Reservoir #6 (North and South), the Casino Elevated Tank, and other above ground and underground improvements. In the event that Lessor reasonably determines that some or all of the Lessee's improvements on the Property (including without limitation the Community Solar Project) must be temporarily removed or relocated so that Lessor can operate, maintain, and repair Lessor's utility improvements, and upon ninety (90) days' written notice from Lessor, Lessee shall promptly complete such removal or relocation at no cost to Lessor. In the event of emergency affecting Lessor's water utility infrastructure, Lessor may remove or relocate without any liability whatsoever to Lessee some or all of Lessee's improvements as Lessor

determines necessary to address the emergency.

5. Compliance with Laws. Lessee's use of the Premises, including but not limited to the installation of the Community Solar Project, is subject to Lessee obtaining all certificates, permits, zoning, and other approvals that may be required by any federal, state and/or local authority. The Lessor shall cooperate at no cost to Lessor with the District in this permitting process, including but not limited to executing all authorizations required by governmental entities. At Lessee's sole cost, Lessee use of the Premises shall be in accordance with all applicable federal, state, and local laws and regulations, including without limitation Lessee's erection, installation, operation, maintenance, and repair of its Community Solar Project.

6. Alterations and Construction.

a. No later than ninety (90) days prior to any construction or installation or excavation of any kind on the Property or on the Premises (including with limitation the Community Solar Project), Lessee will provide the City's Public Works Director with the complete plans and specifications of the construction for review, comment, and approval, which approval is at the City Public Works Director's sole discretion. The plans and specifications so approved are referred to as the "Director-Approved Plans." Lessee will not begin construction until Lessee has received such written approval. The City Public Works Director approval is solely for the purposes of proceeding with construction under this Lease and is not (i) a City warranty or any endorsement whatsoever of the design, which is the Lessee's sole responsibility or (ii) a substitute for any other permit or approval that may be required for such work by the City of Everett or other jurisdiction.

b. Construction of the Community Solar Project must include Lessee installation of gate improvements on the Property acceptable to Lessor.

c. The Lessee shall coordinate all construction and installation activities with the City Public Works Department. All construction must be in accordance with the Director-Approved Plans, all permits and approvals, and all applicable laws.

d. If the Lessee uses contractors, the Lessee shall require that such contractors have the Lessor endorsed as an additional insured on the contractors' commercial general liability insurance and automobile insurance.

7. Rent. Within twenty (20) days of the Commencement Date and on the first day of July thereafter during the term of this Lease, Lessee shall pay to Lessor annual rent of Three Thousand Five Hundred Dollars (\$3,500.00.) Said rent shall increase on July 1, 2023, and each July 1st of each subsequent year of the term of this lease by three percent (3%) of the annual rent in effect for the previous year. Rent shall be payable to Lessor at:

Treasurer
City of Everett
2930 Wetmore Avenue
Everett, WA 98201

8. Termination.

a. This Lease may be terminated by either Party on default of any material term or condition by the other Party on written notice of default if the default is not cured within one hundred twenty (120) days following receipt of the notice. The notice shall provide a reasonably detailed description of the default. The Party providing the written notice of default may state a longer period to cure the default in the notice.

b. The Lessee may terminate at any time by providing written notice of termination to the Lessor. In such event, termination shall be effective ninety (90) days following Lessor's receipt of the notice.

9. Taxes. Lessee shall pay all personal property taxes, leasehold taxes, other taxes and assessments, if any, assessed on, or any portion of, the Community Solar Project or Lessee's use of the Premises. Lessor shall pay, when due, all real property taxes and all other fees and assessments, if any, attributable to the Property.

10. Utilities. Except for water, the Lessee shall furnish and pay for all charges for electricity, telephone, garbage removal, and other utility services for the Premises. Annual rent shall include consideration for Lessee to access and utilize water by a ¾" or 1" service at a location designated by Lessor from water sources owned, operated, and maintained by Lessor located on the Property no more than four times a year (unless the Lessor otherwise approves) for the purpose of cleaning the Community Solar Project and maintaining the Premises. Lessee shall also provide for security services at its own expense.

11. Insurance. Each Party shall maintain its own insurance and/or self-insurance for its liabilities from damage to property and or injuries to persons arising out of its activities associated with this Lease as it deems reasonably appropriate and prudent. The maintenance of, or lack thereof of insurance and/or self-insurance shall not limit the liability of the indemnifying Party to the indemnified Party.

12. Indemnification and Hold Harmless.

a. Lessee's Indemnification of Lessor. The Lessee shall indemnify, defend and hold harmless the Lessor, its officers, appointed and elected officials, employees and agents, from and against all claims, actions, suits, liability, loss, expenses, fines, penalties, refunds, reimbursements, damages and judgments of any nature whatsoever, including costs and reasonable attorneys' fees in defense thereof, for injury, sickness, liability or death to persons or damage to property or business, (collectively referred to as "Damages") to the extent caused by or arising out of negligent or intentional acts, errors or omissions of the Lessee, its officers, officials, contractors, employees or agents arising out of or relating to Lessee's occupancy or use of the Property or the Premises, including without limitation Lessee's installation, operation, maintenance and/or repair of the Community Solar Project; provided, that in the event of the concurrent negligence of the Parties, the Lessee's obligations hereunder shall apply only to the percentage of fault attributable to the Lessee, its officers, officials, contractors, employees and/or agents.

b. Waiver of Immunity Under Industrial Insurance Act. The indemnification provisions of this Section are specifically intended to constitute a waiver of Lessee's immunity under Washington's Industrial Insurance Act, Title 51 RCW, as with respect to the Lessor only, and only to the extent necessary to provide the Lessor with a full and complete indemnity of claims made by the Lessee's employees. The Parties acknowledge that these provisions were specifically negotiated and agreed upon by them.

c. Survival. The provisions of this Section 12 shall survive the expiration or termination of this Lease with respect to any event occurring prior to such expiration or termination.

13. Environmental Laws and Indemnification.

a. Lessee shall occupy and use the Premises in compliance with all applicable Environmental Laws. Lessee shall not introduce and/or use any Hazardous Substances on the Premises in violation of any applicable laws and regulations.

b. Lessee shall defend, indemnify and hold harmless Lessor from and against any and all claims, causes of action, demands and liabilities including, but not limited to, damages, costs, expenses, assessments, penalties, fines, losses, judgments and reasonable attorneys' fees that Lessor may suffer due to the release of any Hazardous Substances on the Premises or the Property and/or the migration of any Hazardous Substances to other properties and/or released into the environment to the extent caused by Lessee's or Lessee's contractors activities on the Premises or the Property.

c. The Lessee accepts the Premises and the Property as-is. Lessor makes no environmental warranties whatsoever. If Lessee discovers Hazardous Substances on the Premises or Property not caused by Lessee's or Lessee's contractors' activities on the Premises or the Property, then Lessee may either (1) continue the Community Solar Project under this Lease, in which case Lessee is responsible at Lessee's sole cost for any remediation of such Hazardous Substances necessary for Lessee's use of the Premises or Property and Lessee waives any claim against Lessor for any payment or contribution toward such remediation or (2) prior to the commencement of such remediation, terminate this Lease effective on written notice to Lessor, in which case Lessee has no responsibility for such remediation.

d. The indemnification in this Section specifically includes costs incurred in connection with any investigation of the conditions of the Premises and/or any cleanup, remedial, removal and/or restoration work required by any governmental authority.

e. For the purposes of this Section and this Lease, "Hazardous Substances," means any and all substances, chemicals, wastes, sewage or other materials that are now or hereafter regulated, controlled or prohibited by any Environmental Laws, including, without limitation, any (a) substance defined as a "hazardous substance", "extremely hazardous substance", "hazardous material", "hazardous chemical", "hazardous waste", "toxic substance" or "air pollutant" by the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. Section 9601, et seq.; the Hazardous Materials Transportation Act, 49 U.S.C. Section 1801, et seq.; the

Resource Conservation and Recovery Act, 42 U.S.C. Section 6901, et seq.; the Federal Water Pollution Control Act, 33 U.S.C. Section 1251, et seq.; the Clean Air Act, 42 U.S.C. Section 7401, et seq.; the Emergency Planning and Community Right-to-Know Act, 42 U.S.C. Section 11001, et seq.; the Toxic Substances Control Act, 15 U.S.C. Section 2601 et seq.; the Occupational Safety and Health Act, 29 U.S.C. Section 651 et seq.; or the Occupational Safety and Health Standards, 25 C.F.R. 1910-1000 et seq.; the Model Toxics Control Act, RCW chapter 70.105D, and regulations promulgated thereunder, all as amended to date and as amended hereafter; (b) hazardous substance, hazardous waste, toxic substance, toxic waste or hazardous material, waste, chemical or compound described in any other Environmental Laws; and (c) asbestos, polychlorinated biphenyls, urea formaldehyde insulation, flammable or explosive or radioactive materials, gasoline, oil, motor oil, waste oil, petroleum (including, without limitation, crude oil or any component thereof), petroleum-based products, paints, solvents, lead, cyanide, DDT, printing inks, acids, pesticides, ammonium compounds, and other regulated chemical products.

f. For the purposes of this Section and this Lease, "Environmental Laws" means any and all federal, state and local laws, regulations, ordinances, codes and policies, and any and all judicial or administrative interpretations thereof by governmental authorities, as now in effect or hereinafter amended or enacted, relating to (i) pollution or protection of the environment, natural resources or health and safety; including, without limitation, those regulating, relating to, or imposing liability for emissions, discharges, releases or threatened releases of Hazardous Materials into the environment, or otherwise relating to the manufacture, processing, distribution, use, treatment, storage, disposal, release, transport or handling of Hazardous Materials; and (ii) the use of chemical, electrical, radiological or nuclear processes, radiation, sophisticated electrical and/or mechanical equipment, sonar and sound equipment, lasers, and laboratory analysis and materials.

g. The provisions of this Section shall survive the expiration or termination of this Lease with respect to acts or events occurring prior thereto.

14. Maintenance of Premises. Lessee shall, at its own expense, maintain the Premises and the Community Solar Project in good order and condition. Lessee shall have sole responsibility for the maintenance, repair, and security of the Community Solar Project.

15. Quiet Enjoyment, Authority and Title.

a. Subject to subsection (d) below, Lessor has the full right, power, and authority to execute this Lease.

b. Subject to subsection (d) below, Lessor has good and marketable title to the Premises free and clear of any liens, restrictions and/or mortgages except those matters which are of public record as of the Commencement Date.

c. Subject to subsection (d) below, Lessee shall have quiet enjoyment of the Premises during the term of this Lease.

d. The Lessor is a party to the Project Agreement between Lessor and Interagency Committee for Outdoor Recreation (predecessor to the Washington State Recreation and Conservation Office ("RCO")) dated on or about June 30, 1971 (the "RCO Agreement"). The Lessor has notified the Lessee that the RCO Agreement placed certain restrictions on the Lessor's

properties near the Premises, but the Lessor does not believe the RCO Agreement restricts the Premises. However, the Lessor makes no warranty to Lessee about the RCO Agreement. In the event that the RCO determines that the Lessee's use of the Premises violates restrictions associated with the RCO Agreement, the Lessor will give written notice to the Lessee, in which case the Lessee at Lessee's cost shall promptly remove Lessee improvements to the extent necessary to cure the violation.

16. Notices. All notices hereunder shall be in writing and shall be deemed given if personally delivered, or mailed (certified mail, return receipt requested), or sent by overnight carrier to the following addresses:

If to Lessor, to:

Real Property Manager
City of Everett
3200 Cedar Street
Everett, WA 98201

If to Lessee, to:

Snohomish Public Utility District
Attn: Maureen Barnes, Real Estate Manager
P.O. Box 1107
Everett WA 98206-1107
1802 -- 75th Street SW
Everett, WA 98203

The address to which notices shall be mailed may be changed from time to time by either Party upon written notice to the other.

17. Modification. This Lease constitutes the entire agreement and understanding of the Parties, and supersedes all offers, negotiations and other agreements. Any amendments to this Agreement must be in writing and executed by both Parties, with the Mayor executing such amendment on behalf of the Lessor.

18. Successors and Assigns. This Lease shall run with the Property and shall be binding upon and inure to the benefit of the successors and assigns of the parties hereto.

19. Consent. Except as otherwise provided in this Lease, all consents and/or approvals required to be given by Lessor or Lessee shall not be unreasonably withheld, delayed and/or preconditioned.

20. Interpretation. This Lease and each of the terms and provisions of it are deemed to have been explicitly negotiated by the Parties, and the language in all parts of this Lease shall, in all cases, be construed according to its fair meaning and not strictly for or against either of the Parties hereto. The captions and headings in this Lease are used only for convenience and are not intended to affect the interpretation of the provisions of this Lease. This Lease shall be construed so that wherever applicable the use of the singular number shall include the plural number, and vice versa, and the use of any gender shall be applicable to all genders.

21. Severability. If any provision of this Lease or the application thereof to any person or circumstance shall, for any reason and to any extent, be found invalid or unenforceable, the remainder of this Lease and the application of that provision to other persons or circumstances shall not be affected thereby, but shall instead continue in full force and effect, to the extent permitted by law.

22. No Waiver. A Party's forbearance or delay in exercising any right or remedy with respect to a default by the other Party under this Lease shall not constitute a waiver of the default at issue. Nor shall a waiver by either Party of any particular default constitute a waiver of any other default or any similar future default.

23. No Assignment. This Lease shall not be assigned, either in whole or in part, by either Party without the express written consent of the other Party, which may be granted or withheld in such Party's sole discretion. Any attempt to assign this Lease in violation of the preceding sentence shall be null and void and shall constitute a default under this Lease.

24. No Joint Venture. Nothing contained in this Lease shall be construed as creating any type or manner of partnership, joint venture or other joint enterprise between the Parties.

25. No Third Party Beneficiaries. This Lease and each and every provision hereof are for the sole benefit of the Parties. No other persons or parties shall be deemed to have any rights in, under or to this Lease.

26. Governing Law and Venue. This Lease shall be governed by and enforced in accordance with the laws of the State of Washington. The venue of any action arising out of this Lease shall be in the Superior Court of the state of Washington in and for Snohomish County.

27. Warranty of Authority. Each of the signatories hereto warrants and represents that he or she is competent and authorized to enter into this Lease on behalf of the other Party for whom he or she purports to sign this Lease.

28. Execution in Counterparts. This Lease may be executed in two or more counterparts, each of which shall constitute an original and all of which shall constitute one and the same agreement.

The Execution Date of this Lease is the date first written above.

PUBLIC UTILITY DISTRICT NO.1
OF SNOHOMISH COUNTY

CITY OF EVERETT

By: 

John Haarlow
CEO/AGM

By: _____

Cassie Franklin
Mayor

Date: 3/15/2022

Date: _____

Approved as to Form:

Approved as to Form:

Date: _____

Date: _____

STATE OF WASHINGTON)
COUNTY OF Snohomish)

Notary for the District

I certify that I know or have satisfactory evidence that John Haarlow is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged it as the CEO/AGM of PUBLIC UTILITY DISTRICT NO. 1 OF SNOHOMISH COUNTY to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.



Dated: 3/15/2022

Jennifer R. Rich
(Notary Signature)

Jennifer Rich
(Print Name)

NOTARY PUBLIC in and for the State
of Washington, residing at _____
My appointment expires 4/15/2025.

STATE OF WASHINGTON)
COUNTY OF _____)

Notary for the Landlord

I certify that I know or have satisfactory evidence that Cassie Franklin is the person who appeared before me, and said person acknowledged that she signed this instrument, on oath stated that she was authorized to execute the instrument and acknowledged it as the MAYOR of the CITY OF EVERETT to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated: _____

(Notary Signature)

(Print Name)

NOTARY PUBLIC in and for the State
of Washington, residing at _____
My appointment expires _____

EXHIBIT A

South Everett Solar Legal Description

Commencing at the Northwest Corner of Section 13, Township 28 North, Range 4 East, W.M.;

Thence S 0°23'11" E, 819.82 feet along the West boundary of Section 13;

Thence N 89°48'04" E, 116.00 feet;

Thence S 0°23'11" E, 114.28 feet to the True Point of Beginning;

Thence continuing S 0°23'11" E, 445.56 feet;

Thence N 89°42'47" E, 84.35 feet;

Thence N 56°46'21" E, 91.70 feet;

Thence N 2°55'32" E, 376.60 feet;

Thence N 89°36'49" E, 61.82 feet;

Thence N 14°33'20" E, 20.70 feet;

Thence S 89°36'49" W, 250.30 feet to the True Point of Beginning and terminus of this easement.

Contains approximately 75,826 (1.74 acres) Square Feet

EXHIBIT B

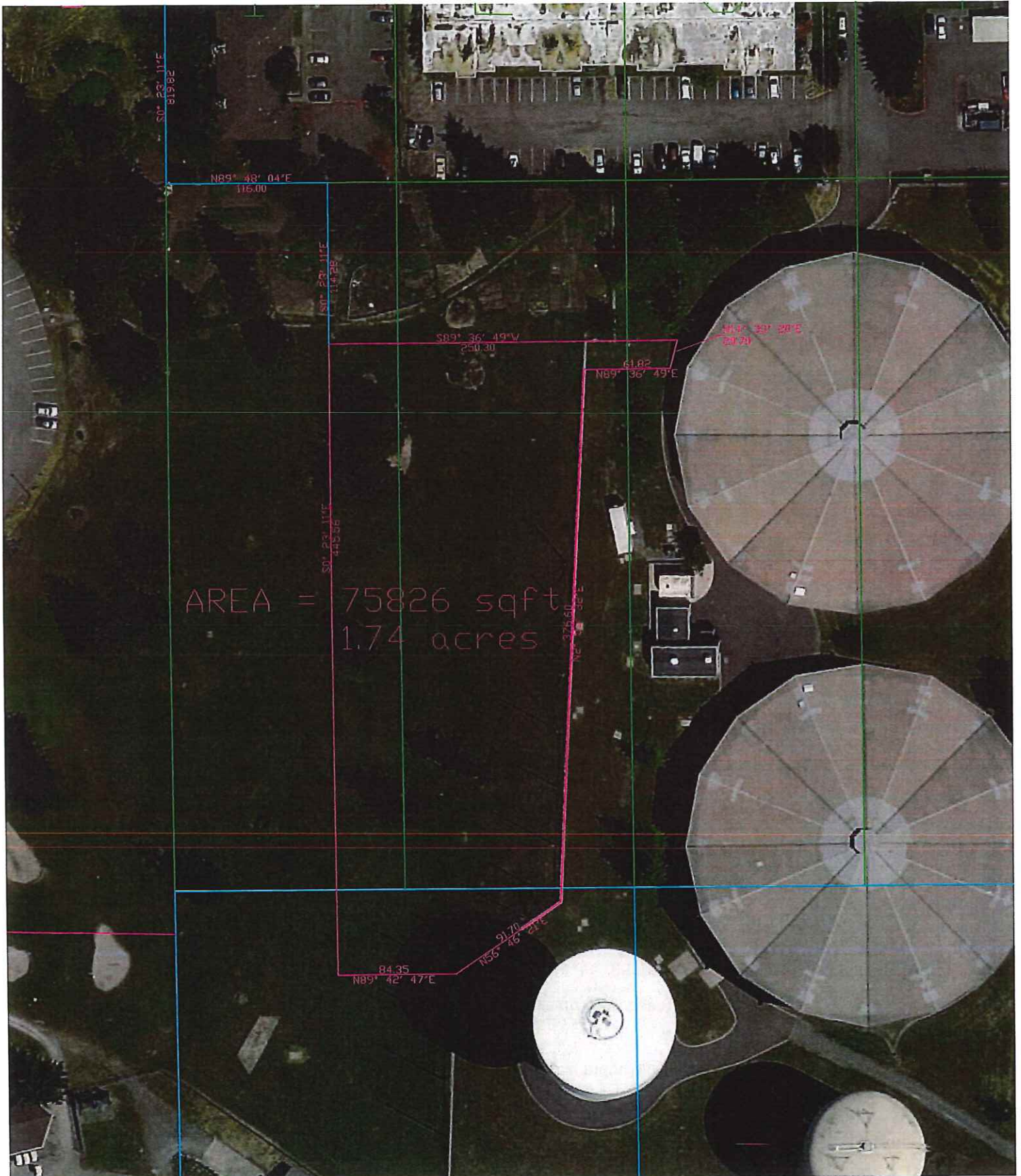


EXHIBIT C - PROJECT DESCRIPTION

Snohomish PUD (PUD) will install a 450-kW DC/ 375-kW AC community solar project in South Everett adjacent to Walter E Hall park to:

1. Reduce energy burden for PUD's most vulnerable customers by directing solar generation benefits to Project PRIDE (Providing Relief for Individuals Dependent on Energy), a fund administered by St. Vincent de Paul (SvDP) that provides emergency utility assistance to PUD electric customers.
2. Utilize the solar array to reduce summer peak demand on PUD summer peaking circuits in the Casino Road area.

The work plan for this project involves the following several activities.

Lease Agreement

The PUD and Everett will establish a lease agreement, allowing PUD access to Everett's property to construct the solar array.

Procurement, Site Preparation and System Installation

The PUD will utilize its public bid process to solicit, evaluate and select contractors for the solar array design and engineering plans, site preparation and civil work and solar array equipment procurement and installation.

Site Preparation and System Installation

The plan to design and install the solar array will include the following activities:

- Conducting a PUD System Impact Study
- Securing approvals from Everett as required by the Lease Agreement
- Securing required permits with Everett and other entities as appropriate.
- Preparing the site for system installation including site clearing and electrical upgrades.
- Hiring a consultant to develop system specifications, design and engineering plans.
- Selecting an installer to procure necessary equipment and install the solar array.
- Coordinating required interconnection agreements with Bonneville Power Administration
- Connecting system to the electrical grid and commissioning.

Community Engagement and Education

PUD will collaborate with Everett and SVdP on a Community Engagement Plan that takes into account the following:

- Opportunities for community input from the Casino Road neighborhood.
- Community engagement and education after the installation that highlights the value of the project to the electrical grid, and the support it will provide to community members in need through

Project PRIDE. Project activities will include, but not be limited to, signage installation at or near the project site.

- Existing PUD and stakeholder communication channels that can be leveraged to engage the community, such as websites, newsletters and social media.

Energy burden reduction

The PUD will maintain metering to track solar production for the duration of the project to direct solar generation credits to the Project PRIDE program.

Operations and Maintenance

The PUD will be responsible for system maintenance and repairs. The PUD will maintain the grounds during the term of the lease.

Outcomes to Highly Impacted and Vulnerable Communities

Specific outcomes to highly impacted and vulnerable communities as a result of this project include:

- An estimated \$27,600 in annual energy credits for the life of the project directed to vulnerable households in Everett and Snohomish County for emergency bill assistance, and potential support for households past due on their electric bills.
- Project site enhancement for the immediate and adjacent neighborhood, areas that rank high on the Washington Department of Health Environmental Disparities map.
- Education and engagement opportunities with members of the immediate and adjacent communities ranking high on the Washington Department of Health Environmental Disparities map.

Summer Peak Demand Reduction

PUD will evaluate summer peak demand reduction on local distribution circuits as a result of locating the solar array at this site, which experiences summer demand peaks.

South Everett Community Solar project

Ryan Sass, Public Works director

Suzy Oversvee, PUD project manager

March 30, 2022



1

Project roles



- Project & grant management
- PV asset ownership
- Operation & maintenance
- Implementation of electrical load management strategies
- Disbursement of power generation credits to St. Vincent de Paul
- Remove equipment and restore site at the end of the lease period



2

Project roles



- Lease of Utility real property for project site
- Support community outreach & engagement



- Administer power generation credits
- Support community outreach & engagement



- Partially fund the project through a Clean Energy Fund grant to the PUD



3

South Everett Community Solar

Project objectives:

- Reduce energy cost burden for income-qualified power customers
- Locate solar array for electrical grid benefits

Project outcomes:

- Install a 375 kW AC community solar array in the Casino Road neighborhood
- Direct solar generation benefits to Project PRIDE to expand PUD emergency power bill assistance
- Utilize the solar array to reduce summer peak demand on PUD power grid



4

Providing Relief for Individuals Dependent on Energy (PRIDE)

- A PUD emergency bill assistance program funded through voluntary contributions
- Administered by Saint Vincent de Paul North Sound Council
- Program stats:
 - Serves approximately 500 customers annually
 - Over the past two years, nearly 50% of Project PRIDE recipients have been Everett residents
- Project PRIDE will receive an estimated additional \$27,600 in energy credits each year during the life of the community solar array



5

Site considerations

Location criteria

- Provide benefits to income-qualified customers
- Locate solar array for peak-load grid benefits

Reservoir 6 site in the Casino Road neighborhood

- Near dense multi-family housing, with a high degree of income-qualified households
- Ranks high on Washington Department of Health Environmental Disparities map
- PUD identified the neighborhood as one with heavy summer peak loaded circuits



6



Solar site

City utility property at Reservoir 6 site adjacent to Walter E. Hall Park



7



Site details

- Approximately 1.7 acres on Everett utility property at Reservoir 6
- Convenient electrical grid interconnection point
- Minimal access improvements needed for construction
- Shared road access with Everett Utilities
- Park & recreation land west of boundary

8

